

Title: Resolution Authorizing the Issuance of Capital Improvement Refunding Special Revenue Bonds, Series 2026A, and Capital Improvement Special Revenue Bonds, Series 2026B**Meeting Date:** February 9, 2026**Section:** Business and Financial Services**Contact:** James Varnado**District:** ALL**Fiscal Impact:** See Summary

Summary: On July 15, 2024 the City Council approved a Declaration of Official Intent that the City may issue bonds and other forms of debt to finance a portion of the costs for various municipal capital projects. Project planning and cost estimating are now far enough along to proceed with the issuance of bonds. The Resolution supplements City Ordinance No. 25329 (the “Covenant Ordinance”) and authorizes the issuance of Capital Improvement Refunding Special Revenue Bonds, Series 2026A (the “Series 2026A Bonds”), and Capital Improvement Special Revenue Bonds, Series 2026B (the “Series 2026B Bonds”, and, together with the Series 2026B Bonds, the “Series 2026 Bonds”), in an aggregate principal amount not to exceed \$215,000,000.

Proceeds of the Series 2026A Bonds will be used to refund all or a portion of the City’s outstanding Capital Improvement Special Revenue Bonds, Series 2014B (the “Series 2014B Bonds”) in order to achieve savings on debt service costs. The Series 2014B Bonds originally financed various public safety and municipal facilities capital projects, including the Orlando Police Department headquarters facility and Fire Station 2.

Proceeds of the Series 2026B Bonds will be used to fund various municipal capital improvement projects, including, but not limited to, public safety improvements, transportation improvements, parks and recreation improvements, and stormwater improvements (collectively, the “2026B Projects”).

The Series 2026 Bonds will be issued with fixed interest rates. The debt service for the Series 2026B Bonds will be wrapped around the City’s current General Fund debt service profile to minimize the impact on the City’s current annual General Fund debt service costs. The Resolution provides for the following parameters:

"Enhance the quality of life in the City by delivering public services in a knowledgeable, responsive and financially responsible manner."

Series 2026A Parameters:

Maximum Bond Issue Size: \$50,000,000

Term: Final maturity not later than the final maturity of the latest maturing refunded bonds (October 1, 2046)

Minimum Net Present Value Savings: 5.00% of the principal amount of the refunded bonds

Minimum Purchase Price: 98% of par, subject to original issue discount or premium.

Series 2026B Parameters:

Maximum Bond Issue Size: \$165,000,000

Term: No later than October 1, 2056

Maximum All-in True Interest Cost: 5.75% (including cost of issuance and underwriter's discount).

Minimum Purchase Price: 98% of par, subject to original issue discount or premium.

Due to the characteristics of the Series 2026 Bonds, prevailing and anticipated market conditions, the need for flexibility in timing the sale and issuance of the Series 2026 Bonds and the need to allow for an expeditious sale of the Series 2026 Bonds, staff recommends that the method of sale be through a negotiated sale to one or more members of the City's Investment Banking Team, upon the satisfaction of the conditions and terms set forth in the Resolution.

The Resolution, among other things, (1) authorizes the negotiated sale of the Series 2026 Bonds, (2) approves the form of and authorizes the execution of a Bond Purchase Agreement with Ramirez & Co., Inc., on behalf of itself and as representative of any other investment banking institutions as may be selected by the Mayor from the Issuer's Investment Banking Team which was previously approved by the City Council on June 12, 2023, and a Continuing Disclosure Agreement, and (3) approves the form of a Preliminary and Final Official Statement and authorizes the approval of a Final Official Statement. It also authorizes the Mayor to approve changes thereto and take other action necessary to complete the transaction.

The Finance Committee approved the issuance of the Series 2026 Bonds at their meeting on December 5, 2025.

Fiscal:

Issuance of the Series 2026A Bonds is currently estimated to result in annual debt service savings ranging from \$200,000 to \$450,000 per year, or around \$4,000,000 to 5,000,000 in net present value savings (approximately 9.8% of the refunded principal) over the remaining life of the bonds.

Issuance of the Series 2026B Bonds will be over an approximately 30-year term. The principal amortization will be structured in a way that wraps around existing debt service and has a minimal impact on the City's current annual General Fund debt service costs. Estimated annual debt service ranges from about \$7,800,000 to \$21,400,000. The debt service will be secured by Covenant Revenues with funding coming from the City's General Fund and the Stormwater Fund for the stormwater projects.

Recommended Action: Adopt the Resolution and authorize the Mayor and City Clerk to execute same, subject to review by the City Attorney's Office.